109TH CONGRESS
1ST SESSION

H. R. 3957

To amend the Internal Revenue Code of 1986 to extend the new markets tax credit.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 29, 2005

Mr. LEWIS of Kentucky (for himself, Mr. RANGEL, Mr. ENGLISH of Pennsylvania, Mr. JEFFERSON, and Mrs. JOHNSON of Connecticut) introduced the following bill; which was referred to the Committee on Ways and Means

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A BILL

To amend the Internal Revenue Code of 1986 to extend the new markets tax credit.

1 *Be it enacted by the Senate and House of Representa-*

2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "New Markets Tax

5 Credit Reauthorization Act of 2005".

6 **SEC. 2. EXTENSION OF NEW MARKETS TAX CREDIT.**

7 (a) EXTENSION.—Subsection (f)(1) of section 45D of

8 the Internal Revenue Code of 1986 (relating to new mar-

9 kets tax credit) is amended to read as follows:

1 ''(1) IN GENERAL.—There is a new markets tax
2 credit limitation of $3,500,000,000 for each of cal-
3 endar years 2008 through 2012.''.

4 (b) INFLATION ADJUSTMENT.—Subsection (f) of
5 such section of such Code is amended by inserting at the
6 end the following new paragraph:

7 ''(4) INFLATION ADJUSTMENT.—

8 ''(A) IN GENERAL.—In the case of a tax-
9 able year beginning after December 31, 2008,
10 the dollar amount in paragraph (1) shall be in-
11 creased by an amount equal to—

12 ''(i) such dollar amount, multiplied by

13 ''(ii) the cost-of-living adjustment de-
14 termined under section 1(f)(3) for the cal-
15 endar year in which the taxable year be-
16 gins, determined by substituting 'calendar
17 year 2007' for 'calendar year 1992' in sub-
18 paragraph (B) thereof.

19 ''(B) ROUNDING RULE.—If a dollar
20 amount in paragraph (1), as increased under
21 subparagraph (A), is not a multiple of
22 $1,000,000, such amount shall be rounded to
23 the nearest multiple of $1,000,000.''.

1   (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2007.

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